Chartered Accountant SINGAPORE

SINGAPORE CA QUALIFICATION EXAMINER'S REPORT

MODULE: Integrative Business Solutions (IB)

EXAMINATION DATE: 15 June 2026

Section 1
General comments

The case is about a private hotel group in Singapore Paradise Stay Hotels Group (PSHG) established in 1997 by a couple and has grown into a regional player with 29 mid-to-upscale properties located in Singapore, Malaysia, Thailand, Vietnam, the Philippines and Indonesia.

PSHG's niche is on "affordable indulgence" for its entire brand identity which blends stylish, design- led spaces with accessible pricing, ensuring premium client experience without the cost of luxury with major markets in Singapore and Bangkok

Candidates have to assess PSHG's business on hospitality and guest services, food and beverage, housing and maintenance across the group from sales marketing to finance and accounting, information technology and human resourcing.

Candidates received Advance Information (AI) documents three weeks before the examination date to undertake research, analysis and preparation. The AI documents contained 31 pages and 10 Exhibits, and it covered financial performance, hospitality industry, organisation structure, sustainability indicators, and potential technology enhancements.

The Examination Day Documents (EDD) were given to the Candidates on the examination day itself. The EDD had 27 pages and 10 additional Exhibits. The EDD evaluated expansion plans, as well as introduction of Artificial Intelligence Digital Concierge Platform.

Candidates were expected to combine their pre-reading and analysis of the current performance, expansion, ESG and Artificial Intelligence disruptions risk, their other pre-examination research and the new information in the EDD to address the issues raised in the requirements and demonstrate their ability to work diligently and accurately under time pressure. There were four broad requirements to address as stated below with the relevant marks allocation:

- Requirement 1 – An executive summary (10 Marks)
- Requirement 2 – Strategic trend analysis, performance evaluation and digital strategy at Paradise Stay Hotels Group (40 Marks)
- Requirement 3 – Evaluation of strategic and operational strategies at Paradise Stay Hotels Group (31 Marks)

Requirement 4 – Resolving operational issues and advising on ESG reporting assurance (19 Marks)

The structure of the AI and EDD as well as the minimum performance expected by the Examination Team from the Candidates were similar to previous IB examinations, as was the level of difficulty and the domain knowledge required.

Overall, Candidates performed well in this examination. As in previous sittings, Candidates generally performed better in computational and financial analysis requirements, as well as questions relating to risk management. Candidates also demonstrated good awareness of current industry trends. Time management remained an issue for some Candidates, although this appeared to have improved compared with previous sittings.

Section 2
<u>Analysis of individual questions</u>

Requirement 1

Generally well attempted. Most Candidates prepared concise executive summaries highlighting the key issues arising from the case. A small number of Candidates did not attempt this requirement, while many Candidates omitted the sign-off to the executive summary.

Requirement 2

(a) Most candidates were able to extract and note the key points for the different trends (Tourism Outlook, Digital Disruption, ESG expectations). However, the trend on Regional Competition was comparatively weaker, with candidates providing generic or superficial points instead of specific implications for PSHG. Some candidates gave only one point per trend and did not score well as a result. There were observations on the interchangeable key trends of tourism outlook and regional competition made by the candidates.

(b) Candidates generally understood the requirements of this question, as similar performance evaluation requirements have appeared in previous examinations. However, many Candidates did not provide an overall summary or conclusion. Where summaries were provided, they should present concise, high-level observations and, where appropriate, include practical recommendations rather than merely repeating the detailed analysis.

(c) Candidates generally demonstrated a good understanding of the risks and challenges associated with digital transformation. However, many Candidates did not fully address the question requirements and relied heavily on pre-prepared material or information from the Advance Information without tailoring their responses to the Examination Day Documents. Some Candidates also performed unnecessary detailed NPV calculations, resulting in inefficient use of examination time. In addition, Candidates commonly differentiated poorly between strategic and operational benefits and tended to focus extensively on cyber security risks while overlooking other relevant implementation challenges.do not understand the question requirements and this can be seen in dumping of information thru research and using advanced information to answer the question. And some candidates even went on to provide detailed NPV calculation to answer the question which if used at a certain level of detail may be useful but too much becomes unnecessary, resulting in inefficient usage of exam timing.

Requirement 3

(a) Most candidates were able to prepare the NPV workings. However, there was a general weakness in presenting complete workings for both the NPV and IRR calculations. Some Candidates prepared only a five-year financial model instead of considering the full investment period, while others did not perform a reasonableness check on their final calculations. The non-financial comparison of the two expansion options was generally the strongest component of this requirement.

(b) The question called for a computation of the financial impact on EBITDA of four proposed initiatives, followed by an evaluation of their respective feasibility and effectiveness, and an overall conclusion. This requirement was generally not well attempted. While many Candidates were able to compute the financial impact of some of the initiatives, the evaluation was often brief and lacked sufficient depth. Many Candidates also did not distinguish between the impact of price changes and volume changes on costs, resulting in incorrect computations. As with Requirement 2(b), many Candidates did not provide an overall summary or conclusion. Candidates should be aware that marks are allocated for an appropriate summary and conclusion.

Requirement 4

(a) This question was generally well attempted. Most Candidates were able to evaluate the three incidents appropriately. However, some Candidates described the incidents without evaluating their implications or explaining the resulting financial consequences. A few Candidates did not attempt the question, most likely due to time constraints.

(b) Many candidates achieved high marks by demonstrating their ability to come up with sensible answers. It was pleasing that most Candidates generally understood the differences between limited and reasonable assurance and were able to recommend an appropriate assurance approach. However, many Candidates did not adequately justify the selection of the two ESG KPIs in the context of PSHG. Some Candidates also relied on pre-prepared knowledge without sufficiently applying it to the case. As this was the final part of the examination, a number of Candidates did not attempt the question, highlighting the continued importance of effective time management.